Executive Registry

26 APR 1959

Dr. Milton S. Fischbower President

Johns Hopkins University Boltimore 18, Meryland

Dear Milton:

I went to let you know that I received and reed with interest the Memorandum from Professor E. F. Penrose that you were so kind to send me. I sa returning it as you requested.

I have had a copy made and have sent it on to some of my colleagues here for a further study. Your thought in bringing this to my personal attention is indeed appreciated.

With kindest personal regards.

Sincerely,

Allen V. Dalles Director

Enclosure

O/DCI/ 23 April 59 Distribution: Orig - Addressee w/encl. 1 - DCI I - Chief, NE w/basic & cy/encl

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MEMORANDUM FOR: Mr. Dulles

SUBJECT : Brief of a Letter from E. F. Penrose, Professor of

Political Economy on the Faculty of Johns Hopkins University and Serving under Contract with the

University of Irag.

Professor Penrose's letter concerns the Mosul Civil War, the work of the Communist Party in Iraq and the student activities at the University. He states that the Mosul Civil War is a major disaster for Iraq and a setback to the hopes of establishing a stable government which will take more than a generation before the deep wounds which have been inflicted will be healed. It has raised political hatreds and divided the country on issues which arouse violent passions. He states that the effects are readily observed in Baghdad and have broken down much of what remained in justice and the rule of law. Professor Penrose advises that the Mosul Affair has brought about such events as, former friends calling each other traitors, the extremes of each side want to exterminate each other and a general failure of those in the middle to organize even though they are in the majority.

Professor Penrose comments on the widespread and growing insecurity among the fion Communist educated Iraqis in business, education and the professions and that morale is collapsing mong some of them. He believes that Kassem is not a Communist and that while he has yielded far to the Communists who surround him, he has not yielded anything and in particular stands almost alone as an obstacle to executions and liquidations. Professor Penrose observes that a large number of Iraqis want neither Communism or Nasserism. It is with the mindwities that the Communist Party has met with success, chief of which are the Kurds and the Christian groups. He points out that Iraq may go Communist but that Russia will have even more trouble here than she has had in Eastern Europe. The halo around the Russians is declining and that their blunders are Palestine, Aswan Dam and Suez. It is here that the Western world can watch the Russians become entangled and forced to drop pretenses.

Professor Penrose makes mention of the major agricultural and land reform problem in Iraq and the results of rejecting land reform in the center of violent party controversies is only one aspect of the Mosul disaster. In regard to the students, he advises that the student union rather than the Deans are in effective control of some of the colleges of the University. In his report, Professor Penrose comments on the difficulties of teaching "bourgeoise economics" in the face of the activities of the student union plus the fact that the students themselves are bitterly divided.

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